Annex II: Situation analysis

Prior to the project formulation and construction of the logical framework matrix, structured analysis of the existing situation should be conducted. This comprises stakeholder analysis, problem analysis and objective analysis. The analysis facilitates formulation of the logical framework elements as well as defining the scope of the project. Stakeholder, problem and objective analyses are an iterative and simultaneous process.

A. Stakeholders analysis

The analysis of stakeholders, their needs and interests, is an important part of the situation analysis. The purpose of the stakeholder analysis is to gain an overview of important groups or players who have or may develop vested interests in a certain situation or working context. Core stakeholders are those who are well-informed and can help to analyze and discuss the main issues that the analysis will focus on. The main purposes of stakeholder analysis are:

- To better address and manage the distributional and social impacts of projects, programmes and policies; and
- To identify existing or potential conflicts of interest and to factor appropriate mitigation strategies into activity design.

Procedure:

1. Identify the principal stakeholders at various levels – local, national, regional and international;
2. Investigate their roles, interests, and relative powers and capacities to participate;
3. Identify the extent of cooperation or conflict in the relationships among stakeholders; and
4. Interpret the findings of the analysis and define how they should be incorporated into project design.

B. Problem analysis and the problem tree

Problem analysis

In order to understand a situation to be influenced by a project, it is essential to be aware of problem conditions which constitute development constraints as well as their causes. Precise description of problems as deviations between some desired conditions and the status quo, and the major root causes of the situation need to be identified in order to devise effective ways of dealing with them. Problems and their inter-relationships can be identified and visualized using the so-called “problem tree”. The problem tree is a diagram showing the cause-effect relationships between problem conditions in a defined contest (see figure 16 for an example of a problem tree).

Procedure

1. Define precisely the situation (sector, subsector, area, and so on.) to be analyzed;
2. Define some (approximately five) major problem conditions related to the selected situation;
3. Organize the problem conditions according to their cause-effect relationships;
4. Add additional problems, thus describing causes and effects; and
5. Check the diagram (tree) for completeness (most relevant conditions) and logical order.

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33 UNESCAP (2003). Project planning, monitoring and evaluation, training guide.
C. Objectives analysis and the objective tree

Objectives analysis

It is important to identify, on the basis of the problem analysis, the objectives and results that the project is intended to achieve. If there is no secure commitment from all the parties concerned to the project’s objectives and results, then friction may occur among stakeholders, leading to poor project implementation. The problem structure shown in the problem tree can serve as a basis to identify and visualize potential objectives a project might want to achieve. The objective tree is created by transforming the hierarchy of problems into a hierarchy of objectives describing future conditions which are desirable and realistically achievable. The objective tree can form the basis for further decision-making on alternative interventions (projects) that would aim to influence a given situation (see figure 17 for an example of an objective tree).

Procedure

1. Reformulate the problems as objectives;
2. Check the logic and plausibility of the means-to-ends relationship;
3. Adjust the structure wherever necessary and revise statements;
4. Delete objectives that are not desirable;
5. Check whether rewording will lead to meaningless or ethically questionable statements; in that case, reformulate the objective or indicate that this problem cannot be solved in the given context; and
6. Add new objectives if they appear to be relevant and necessary in order to achieve the stated objective at the next higher level.
Figure 16: Example of a problem tree: from the project entitled “Development of national legal databases for capacity-building to enhance access to environment law Information in Africa”

**Effects**

- Environmental degradation due to inability to protect the environment
- Low quality education due to inadequate reference materials
- Poor access to materials for environmental management for all users.
- Poor judgements and plaints and access to justice in environmental matters
- Inability to rely on credible sources of environmental information
- Reaches less people in the country and beyond with the right information
- Low public participation in decision-making due to lack of information
- Inappropriate/in adequate decision-making and implementation of environment Conventions

**Causes**

- Lack of access to environmental information by information technology
- Lack of capacity to store and retrieve information electronically
Figure 17: Example of an objective tree: from the project entitled “Development of national legal databases for capacity-building to enhance access to environment law information in Africa”.

- **ends**
  - The environment is protected according to the required regulation
  - Enhanced enforcement and compliance of environmental law
  - Decision-makers work in an informed manner to protect the environment
  - Access to Justice is enhanced because of the accessibility of information
  - The Public can participate in decision-making at the relevant level.
  - The public in the country and beyond has access to environmental information
  - Public awareness efforts and education
  - Availability of credible sources of information for all users and ECOLEX
  - Build capacity to access information by databases & information technology
  - Build capacity to store and retrieve information using keywords & search engines

- **means**